

(2) Amounts equal to the amounts of new budget authority and outlays provided in this Act in excess of the allocations under section 302(a) of the Congressional Budget Act of 1974 to the Committee on Finance of the Senate for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011.

In lieu of the matter proposed to be inserted by the amendment of the Senate to the title of the bill, insert the following:

To provide tax incentives for economic recovery and assistance to displaced workers.

The SPEAKER pro tempore. Pursuant to House Resolution 347, the gentleman from California (Mr. THOMAS) and the gentleman from California (Mr. MATSUI) each will control 30 minutes.

The Chair recognizes the gentleman from California (Mr. THOMAS).

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

It was not too long ago that we all gathered on the floor of the House and listened to President Bush on his State of the Union message. It was a remarkable speech because it was interrupted by a number of standing applause for the statements that the President made.

One of those that I listened carefully to was one that elicited a significant amount of response. It was when he talked about his economic recovery program. He said, "I can explain it in one word: jobs." When we talk about economic recovery, we have got to talk about the job-creating machines in this country called business.

What we have in front of us today, Mr. Speaker, is an economic security and worker assistance act. Because frankly, during this recession, with the complications added by September 11, the fact is that we do not have enough jobs and we have people without jobs.

We are going to hear a discussion on the floor today about the fact that we should simply allow the Senate to do our thinking for us; that whatever is the common denominator that can get out of the Senate should be what it is that we accept over here in the House.

I think one of the things that we have to focus on is the fact that the President indicated, given his program, there will be a year or two in which the budget is not in balance; but in following his program, we will return to surpluses. There is a fairly easy explanation for those who do not get it. It goes something like this: if people do not have jobs, they do not pay much in taxes. The government gets its revenue from taxes, and then we get less in than we anticipated. We went from a surplus; we are moving to a deficit. If we have a program which creates jobs, people then are paying taxes, the government's revenue goes up, and we move from a deficit to a surplus. And what we have in front of us is a program to create more jobs.

It helps those who are in need. It assists in consumer demand; \$13.7 billion, as the President has outlined available for those individuals at the lower end of the economic spectrum. No one believes that they will not consume that

money provided to them. That alone provides a modest economic stimulus.

We talked about a very popular provision which is included in this package encouraging businesses to buy equipment now and not tomorrow. It is called the 30 percent expensing, and it encourages decisions that may be made later to be made today, so that the economic effect occurs now and not later. That is a pretty good definition of a stimulus.

But it does more than that. When workers are unemployed, oftentimes they lose their health insurance benefits. This package addresses those who are unemployed by saying, we want to end the political football of unemployment insurance between the House and the Senate. If this becomes law, the tug of war is over, because we have provided the innovative structure which says the President's new trigger for assistance, not the statutory 5 percent unemployment rate in States, but the President's suggested 4 percent trigger should be utilized as a determiner of whether or not a State gets 13 weeks additional unemployment assistance. Every State would get the first 13 weeks. But if this becomes law, the trigger would determine whether a State would get an additional 13 weeks of assistance, based upon its unemployment rate; and then, after that 13 weeks, if the State still had high unemployment, it would trigger an additional 13 weeks and so on. We could resolve the unemployment issue for the rest of calendar year 2002 by moving this legislation.

In addition to that, I hope people have not forgotten the commitment to assist the City of New York. They took it on the chin for all Americans. In this bill is the "liberty provision" to assist in the rebuilding of downtown Manhattan. That is a promise that we made. This bill will be a promise that we deliver.

It seems to me that when someone decides that someone else ought to do the thinking for us, we have given up on trying to be creative and responsive. This bill is different than the one that we sent to the Senate in October; it is different than the one that we sent the Senate in December. It is different in positive ways. It helps more people, more meaningfully, and it ought to be passed.

Mr. Speaker, I reserve the balance of my time.

Mr. MATSUI. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, I just have to say that I am not sure if the gentleman and I are reading from the same bill, because he talks about stimulating the economy; but as I read these tax provisions for corporations, that is not what this does. He has a provision in there that would eliminate the alternative minimum tax, not for individuals, but for corporations. As the Congressional Budget Office has said, this helps corporations from their past activities, it does not stimulate the economy.

There is a provision in there that encourages corporations to keep their earnings overseas and not invest in the United States. That costs about \$13 billion or \$14 billion over the next 10 years. That does nothing to stimulate the economy. In fact, it works in the opposite direction.

The tax provisions in this particular bill do very little to stimulate the economy of the United States. In fact, they are really corporate handouts as a result of a commitment made to the U.S. Chamber of Commerce last year when the chamber decided not to put corporate tax breaks on their individual tax cut bill. So what they are doing is using as a bootstrap the unemployment benefits, aid to New York in order to get these corporate tax breaks. In fact, the corporate tax breaks and the acceleration of the 28 percent rate, which helps basically the higher-income people, is about two-thirds of the \$175 billion in tax cuts over the next 10 years.

The real tragedy is the Senate, the other body, passed their bill to give an additional 13 weeks' unemployment benefits to the American unemployed unanimously. Democrats and Republicans alike worked together to do this.

Think about this for a minute. There are 8 million people unemployed today; there are a million that have lost their benefits since September 11, and in the next 6 months there will be another 2 million. They are losing them at a rate of 77,000 a year. The gentleman from California, the Chair of the Committee on Ways and Means, knows that the Senate will not act on this bill. So we are basically telling the unemployed that because of politics, because they want to help their corporate friends, we are not going to be able to help the unemployed in America.

I want to conclude by making one other observation about this, Mr. Speaker. This money, this money that is being used to pay \$175 billion worth of corporate tax breaks over the next 10 years comes from the payroll taxes of the average American, the waitress that serves us in the House dining room, the elevator operator that gets us up to the second floor so we can vote. These are the people that the money is coming from. The payroll taxes are paying for corporate tax cuts, mainly because we are now in a deficit. We had \$5.6 trillion worth of surpluses. We have eaten them all up. It is gone. At the end of this fiscal year, we are going to have deficit spending.

So this is not a fiscal stimulus bill; this is a bill to help the corporate tax breaks of America.

Mr. Speaker, I reserve the balance of my time.

Mr. THOMAS. Mr. Speaker, it is my pleasure to yield 2 minutes to the gentleman from Missouri (Mr. HULSHOF).

(Mr. HULSHOF asked and was given permission to revise and extend his remarks.)

Mr. HULSHOF. Mr. Speaker, I continue to be puzzled by this cowering in